

(Washington, DC)- Today Congresswoman Gwen Moore and Congressman Harold (Hal) Rogers (R-KY) introduced the Securing Equity for the Economic Development for Low-Income Areas Act (SEED Act) on the floor of the U.S. House of Representatives. The bill would restore funding for the New Market Venture Capital (NMVC) Program, which makes equity investments in small businesses located in economically distressed communities in urban and rural areas. It would also provide \$100 million in debenture guarantees and \$25 million for operational assistance grants to fund the creation of a fresh round of NMVC companies.

"Improving Milwaukee's economy is one of my highest priorities, and the SEED Act will do just that by bringing investment to the parts of my district that private venture capital firms have traditionally ignored. Currently, Milwaukee ranks 49th in venture capital investment dollars out of the 50 largest U.S. cities," Congresswoman Moore said. "The development of small business will serve to create jobs and lower poverty, as small businesses account for nearly 75 percent of all new jobs and account for 99 percent of all employers."

"Ingenuity and hard work are embedded qualities in Kentucky's rural communities, but a lack of financing often keeps great ideas from getting off the ground," Congressman Rogers said. "This legislation will provide money to help enterprising businesses gain access to the capital funds and operational assistance needed to create new jobs."

The NMVC Program was established in 2000 for the purpose of making equity investments in small businesses located in economically distressed communities. The program funds the creation of NMVC companies, regional venture capital firms that can leverage equity capital to invest in these small businesses. Unfortunately, this worthy program has not received funding in the last three fiscal years.

Restoring this program's funding is vital because many conventional venture capital firms have been unwilling to invest in economically disadvantaged areas-the very areas that need an economic jump start the most. NMVC companies aim to fill the access to capital gap that exists for many small businesses in these communities.

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